

**SECRET**

13 July 1955

TO : Chief, E

ATTN : Chief, St/PR

FROM : Chief, D/S

SUBJECT : Submission of Project 40.713, Economic Warfare Training Course

REFERENCES: (1) Letter to Chief, D/E from Chief, St/PR dated 6 June 1953  
(2) PAM 40.713  
(3) Letter to SA/RR from [REDACTED] dated 8 June 1953

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1. This project embodies the Economics Area's contribution to a EDP requested Economic Warfare Training Course (See references 2 & 3). It includes copies of materials to be used as background reading and assignments and short teaching outlines. In addition to these formal contributions, we have been requested to teach two class sessions in the course.

2. The D/E contribution to this course (See references 1 & 2) will not be submitted by the requested due date. The requestor of the project has been informed of this and arrangements are being made to care for this delay

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[REDACTED]

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12 July 1955

TO : Chief, St/PR

THRU : Chief, D/S

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FROM : [REDACTED]

SUBJECT: D/A Contribution to 10.713

REFERENCE: PAM 10.713

The D/A contribution to 10.713 will consist of a reading assignment "Brief Guide to the Economies of the Soviet Bloc" CIA/RR/PR 74 and teaching assistance for the D/A portion of the proposed Economic Warfare Course. The D/A portion will consist of one class session centering on Soviet Bloc economic potential and economic warfare objectives. By the time the first course is scheduled ORR Project 13.227, the revised and updated version of CIA/RR/PR 74 should be available.

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CENTRAL INTELLIGENCE AGENCY  
Office of the Chief, Economic Research  
Office of Research and Reports

11 July 1955

(Date)

MEMORANDUM FOR: Chief, Economic Research

ATTENTION: Chief, Planning and Review Staff

SUBJECT: Transmission of Draft Report, Ch/E Project No. 40.713Title: Economic Warfare Training Course: compilation of background reading material for the course

Author: [REDACTED]

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ENCLOSURE: Subject draft report (original and two copies)

1. Enclosure is forwarded herewith for review and publication. Recommended Category: ☐ IM ☐ RR ☐ CR ☐ RA ☒ Other.
2. Statement of coordination attached, with initials of individuals and their units.
3. Arrangements for maps and/or graphics through St/PB with Cartographic Division.
4. Recommended Dissemination: ☐ EIC Subcommittee ☐ Standard ☒ Requester ☐ NOFORN Other, foreign, etc. (attach list)
5. Has information on US military end products or manpower been used? Explain.  
No
6. Has direct use been made of the intelligence or information of another agency?  
Department of State
7. Have all sources been considered in the preparation of this report?  
All pertinent sources of proper classification have been considered
8. Man-hours utilized by this division in producing this report: 100  
Branches of other ORR Divisions contributing to this report, and (if available) man-hours utilized by each: D/A/Capabilities, D/E
9. Estimate Cards: ☐ Have been submitted to Central Economic Estimates File.  
☐ Are attached.  
Not pertinent
10. The analyst responsible for consultation is:  
[REDACTED] 25X1A  
(Name) S/TR 3098  
(Branch) (Extension)
11. Gaps in Intelligence procedures of the Analysts' Manual Notice (check one)
  - a. Intelligence information gaps disclosed in this project are covered specifically in existing collection requirements. ☐
  - b. Those intelligence information gaps disclosed in this study which were not previously filed as requirements have been transmitted to St/T/R in the form of a requirements memorandum a copy of which is attached. ☐
  - c. Notice is inapplicable to this project. ☒
12. Comments:

40 man-hours were utilized for the compilation of background reading material for the course. The balance, 60 man-hours, has been allocated for the preparation of class work and participation in one phase of the Economic Warfare Training Course.

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Chief, Planning Division

The classification of this transmittal sheet will be changed to conform to the classification of the draft report which it covers.

Approved For Release 2000/05/15 : CIA-RDP79T01049A001200130002-2

*Office Memorandum* • UNITED STATES GOVERNMENT

TO : ST/PR  
THRU : D/S

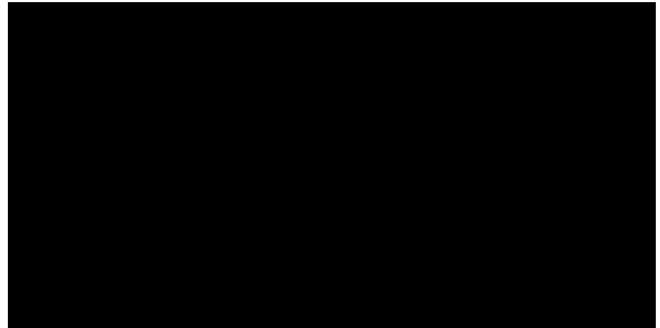
DATE: 11 July 1955

FROM : S/TF/U

SUBJECT: Certification of Classification of 40.713 (Economic Warfare Training Course)

It is herein certified that no information of a higher security classification than SECRET was utilized in the preparation of this report.

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TEACHING OUTLINE

PROPOSED ECONOMIC WARFARE COURSE  
(Economic Penetration Session)

**I. Background Reading**

**A. General Materials on Economic Penetration**

1. Subcommittee on Technical Assistance Programs, Staff Study No. 3, "Soviet Technical Assistance in Non-Communist Asia", 84th Congress, 1st Session 10 June 1955, U.
2. State, OIR, IR 6880, "Recent Sino-Soviet Economic Efforts to Penetrate Non-Communist Asia", 5 April 1955, C
3. Department of State Instruction, No. CA-4913, "Soviet Bloc Offers of Development Assistance to Non-Communist Countries", 28 January 1955, S.
4. CIA/RR, MP-120, "Soviet Bloc Penetration of Underdeveloped Countries", 12 April 1955, S.
5. New Times, No. 52, "The Soviet Union and the Underdeveloped Countries", by V. Solodovnikov, 25 December 1954, U.
6. FBIS Article, USSR & EE, #127, "USSR Ready to Aid S.E. Asian Countries", 1 July 1954, Official Use Only.
7. FBIS Article, USSR & EE, #106, "USSR Strengthens Underdeveloped Lands", 1 June 1955, U.

- B. Case Material on Afghanistan: "Russian Economic Penetration in Afghanistan"**  
State, Kabul, Desp 35, 7 Sep 54, S

**II. Class Discussion Material: India**

- A. "United States and USSR Economic Interests in India"**, State, New Delhi, Desp 536, 12 Nov 54, C
- B. "Indo Soviet Steel Agreement"**, The Eastern Economist, 11 Feb 55, U

**III. Questions Around Which a Class Discussion Can Revolve:**

- A. In general encourage the participants to draw their own conclusions concerning what is important and what is not among the facts presented. Encourage discussions of:**

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- (1) Possibility and nature of an overall USSR-Bloc plan of economic penetration. What sort of dependence on the Bloc could be encouraged? With what results?
  - (2) Nature of present types of economic penetration. Against which countries first? Why should underdeveloped countries be a major target?
  - (3) Type of intelligence (and analytical organization in CIA) is needed to most efficiently follow and combat Bloc penetration?
- B. Specifically what conclusions should be drawn concerning Soviet aims in India? What is the relation of economic to non-economic facts?
- C. Why is India an important target for Bloc penetration? What makes India a favorable or unfavorable target for economic penetration?

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Chief, Economic Defense Division

6 June 1955

THRU : Chief, Economic Research

Acting Chief, Planning and Review Staff

DD/P Proposed Economic Warfare Course, D/E Contribution to

Reference: ERA Support Project #40.713

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1. Early in April [REDACTED] S/TF, was appointed by the AD/RR as CRR representative on a committee set up to plan a DDP requested training course in Economic Warfare. In subsequent meetings D/S and D/A were committed to participate in the planning and teaching of parts of the course.

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2. D/E has also been asked to make a contribution to this course. The nature and extent of this contribution has been discussed informally by [REDACTED] D/E. The nature of this

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contribution is broadly to prepare materials covering:

(a) Review of US Foreign Economic Policy and economic warfare objectives, both offensive and defensive. This should include both reading and lecture-discussion materials, concentrating on US Foreign Economic Policy, from the Marshall Plan through FCA activities to the present time;

(b) Review of East-West Trade policy emphasizing consideration of the Battle Act to date and Soviet techniques for evading Western restrictions on East-West trade.

3. Part (a), above, should probably cover not more than a two hour class period. Part (b), may cover the better part of a day. D/E is requested to provide (1) background assignment materials (2) lecture-discussion materials or outlines for classroom work and (3) instructors to present the classes. All preparation for the course should be made by 15 July; 22 July being the date on which the complete course is to be assembled, ready for presentation. 25X1A

4. Preliminary discussion with [REDACTED] D/E, indicates 150 hours would be required for D/E preparation of the materials referred to. Further questions you may have on this project may be addressed to [REDACTED]

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St/PR:pad

cc: St/PO  
S/TF

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